



JAMES A. NOYES, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"Enriching Lives"

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IN REPLY PLEASE

REFER TO FILE: **AE-3**

November 26, 2003

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**JOB ORDER CONTRACT FOR
REPAIR AND REHABILITATION OF COUNTY FACILITIES
AWARD CONTRACT
SPECS. VARIOUS
ALL SUPERVISORIAL DISTRICTS
3 VOTES**

**JOINT RECOMMENDATION WITH THE CHIEF ADMINISTRATIVE OFFICER THAT
YOUR BOARD:**

1. Award a Job Order Contract to MTM Construction, Inc., for a one-year contract period for a maximum cost of \$3 million to be financed from the Federal and State Disaster Aid Budget or appropriate capital/refurbishment projects' budget.
2. Authorize the Director of Public Works to prepare and execute the JOC in the form previously approved by County Counsel and establish the effective date following receipt of approved Faithful Performance and Labor and Materials Bonds filed by the contractor.
3. Authorize the Director of Public Works to execute work orders not to exceed the maximum amount of the contract.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

We are recommending that your Board award a JOC to MTM Construction, Inc., the apparent lowest responsive and responsible bidder, for repair and refurbishment of County facilities for a maximum not to exceed fee of \$3 million for a one-year contract.

The JOC is a flexible, cost-effective unit price contracting technique to accomplish repair and refurbishment of County facilities without extensive plans and specifications. This relatively simple and straightforward process reduces administrative requirements and lowers direct construction costs, while meeting all Federal, State, and County procurement requirements.

This JOC will help expedite, as the need arises, capital projects and earthquake repair of facilities in the courts, health, justice, and general project areas. The Public Contract Code Section 20128.5 allows individual JOC contracts to have a one-year term and a maximum value of \$3 million.

We will report activity on the JOC to your Board quarterly along with our regular report on delegated contracting activity.

Implementation of Strategic Plan Goals

This action meets the County Strategic Plan Goal of Service Excellence and Organizational Effectiveness as this construction contract will improve public facilities and restore them fully into service sooner than with traditional construction contracting.

FISCAL IMPACT/FINANCING

The recommended construction contract with MTM Construction, Inc., is \$3 million. There is no anticipated additional fiscal impact to the County as a result of this action. No work will be assigned to this JOC without the Chief Administrative Office's prior review and approval.

The contract will be administered by Public Works. Sufficient funds are available in the Federal and State Disaster Aid Budget to cover the costs of earthquake-related repairs. Costs of earthquake-related repairs will be recovered through the FEMA/OES disaster claiming process, insurance carrier proceeds, and/or County funds, as appropriate. Repair or refurbishment work accomplished through JOC related to nonearthquake projects will be financed through the appropriate capital or refurbishment projects' budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

A standard contract, in the form previously approved by County Counsel, will be used. The standard Board-directed clauses for contract terminations, renegotiations, and hiring qualified displaced County employees will be included.

The project specifications also contain provisions requiring the contractor to report solicitations of improper consideration by County employees and allowing the County to terminate the contract if it is found that the contractor offered or gave improper consideration to County employees.

As requested by your Board on August 12, 1997, and as a threshold requirement for consideration for contract award, MTM Construction, Inc., is willing to consider Greater Avenues for Independence Program/General Relief Opportunity for Work participants for future employment.

As required by your Board, language has been incorporated into the project specifications stating that the contractor shall notify its employees, and shall require each subcontractor to notify its employees, about Board Policy 5.135, the Safely Surrendered Baby Law, and that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws.

MTM Construction, Inc., is in full compliance with Los Angeles County Code Chapter 2.200 (Child Support Compliance Program) and Chapter 2.203 (Contractor Employee Jury Service Program).

MTM Construction, Inc., as required on all publicly funded projects in excess of \$1,000, will be required to pay prevailing State wage rates to all persons employed on the JOC.

ENVIRONMENTAL DOCUMENTATION

The implementation of each work order under this JOC shall be subject to prior determination and documentation by Public Works that the work order is categorically exempt from the California Environmental Quality Act. In the event the work order is not exempt, your Board will be requested to approve the appropriate environmental finding and documentation prior to implementation. Federally funded work orders shall be subject to an environmental determination by the appropriate federal agencies.

CONTRACTING PROCESS

On October 21, 2003, your Board adopted the JOC Unit Price Book and Specifications for the repair and refurbishment of County facilities and instructed the Executive Officer to advertise for bids. Four competitive bids were received on November 18, 2003. Bidders were required to submit a set of cost adjustment factors that would be applied to the unit prices for work in the JOC Unit Price Book. The bid was determined by calculating a composite factor using a predetermined and advertised formula. MTM Construction, Inc., was the apparent lowest responsive and responsible bidder meeting the criteria adopted by your Board. The JOC Unit Price Book and the contractor's adjustment factors will be incorporated in the awarded contract. The bid results are summarized in Enclosure A.

MTM Construction, Inc.'s, three-year contracting history is on file with Public Works.

To ensure the contract is awarded to a responsible contractor with a satisfactory performance history, bidders were required to report violations of the False Claims Act, their civil litigation history, and information regarding prior criminal convictions. The information reported by MTM Construction, Inc., was considered before making this recommendation to approve execution of the contract.

As requested by your Board on February 3, 1998, this JOC opportunity was listed on the "Doing Business with Us" website. A copy of the website posting is included as Enclosure B for your reference.

Public Works has evaluated and determined that the Living Wage Program (County Code Chapter 2.201) does not apply to the recommended contract as this contract is for non-Proposition A services.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The use of this contract will expedite the completion of earthquake repair projects and other County construction repair or refurbishment work managed by Public Works. Minor impacts to tenant departments may occur while repair or refurbishment work is underway.

The Honorable Board of Supervisors
November 26, 2003
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CONCLUSION

Please return one adopted copy of this letter to the Chief Administrative Office and Public Works.

Respectfully submitted,

JAMES A. NOYES
Director of Public Works

DAVID E. JANSSEN
Chief Administrative Officer

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cc: Chief Administrative Office
County Counsel
Department of Public Social Services (GAIN/GROW Program)
Office of Affirmative Action Compliance

November 26, 2003

ENCLOSURE A

**JOB ORDER CONTRACT FOR
REPAIR AND REFURBISHMENT OF COUNTY FACILITIES
AWARD CONTRACT
SPECS. VARIOUS**

Bid Opening Date: November 18, 2003

Bid Summary:

	<u>Bidder</u>	<u>Total Composite Factor</u>
1.	MTM Construction, Inc.	0.9165
2.	Mackone Development, Inc.	0.9795
3.	All Cities Enterprises	0.9833
4.	New Creation Builders	1.0461

Bid Detail Information

ENCLOSURE B

Bid Number : JOC 12
Bid Title : Job Order Contract 12
Bid Type : Construction
Department : Public Works
Commodity : BUILDING CONSTRUCTION SERVICE, NON- RESIDENTIAL (OFFICE BLDG., ETC.)
Open Date : 10/21/2003
Closing Date : 11/18/2003 10:45 AM
Bid Amount : N/A
Bid Download : Not Available
Bid Description : Broad array of County repair, refurbishment, and 1994 Northridge Earthquake repair projects. Public Works will hold a mandatory pre-bid conference at 8:00 a.m., on November 5, 2003, in Conference Room B, 900 S. Fremont Ave., Alhambra, CA 91803, to provide information on the Job Order Contract, bidding process, and answer any questions that potential bidders may have. It is strongly recommended that the pre-bid conference be attended by a principal of the company or a person authorized to make decisions for the company. The maximum dollar value of the contract is \$3,000,000.
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